

# *The* **NATIONAL UNDERWRITER**

## **EMPLOYERS REINSURANCE CORPORATION**

HOWARD FLAGG, President

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### **REINSURANCE OF ACCIDENT AND HEALTH**

A SERVICE BUILT UPON THE  
EXPERIENCE, ANALYSIS AND  
RESEARCH OF OUR PAST 25  
YEARS OF ACTIVITY IN THIS  
LINE

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HOME OFFICE  
KANSAS CITY, MISSOURI

BRANCH OFFICES  
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**FRIDAY, JUNE 14, 1940**



- ONE person accidentally injured every three seconds
- ONE out of EVERY FOUR persons will either be sick or injured during the year and
- ONE out of EVERY FIVE A and H Policy-holders will receive a benefit payment during the year!

We have a product growing in demand . . . a product keeping its need advertised on every newspaper front page . . . a product paying off more frequently than any other type of insurance protection.

Address Accident Department

## PROVIDENT LIFE AND ACCIDENT INSURANCE COMPANY

Since 1887

CHATTANOOGA

TENNESSEE

## We Mean It

### When We Say WE ARE IN THE A & H BUSINESS

For our A & H Department  
last month was the best  
May since 1935.

New production shows  
steady increase.

## UNION MUTUAL LIFE INSURANCE CO.

Portland, Maine

LIFE • ACCIDENT • HEALTH

## WHY NOT WRITE ALL 3

**HEALTH**

**ACCIDENT**

**LIFE**

- Enjoy the extra income that comes from this broadened field of prospects.
- The Old Line Life issues a complete line of modern, attractive policy plans that are easy to sell—including Hospital Policy—both for men and women.
- In April, The Old Line Life celebrated 30 years of sound, healthy growth under able management.

*Territory available in Illinois, Iowa, Michigan,  
Minnesota, Ohio, Wisconsin.*



Assets \$22,628,598

Paid to Policyowners and Beneficiaries \$22,797,041

## OUR "FIVE-FEATURE"

*series of*  
*Accident and Health Policies*  
*appeals to*  
**Business and Professional Men**

1. Non-Cancellable;
  2. Guaranteed Renewable to Age 65;
  3. No Increase in Premium at Any Time;
  4. No Rider or Restriction After Issuance;
  5. Non-Prorating in Respect to Change of Occupation.
- Also . . . Hospital and Surgical Reimbursement Included.

**LIFE AGENTS . . .** You can supplement your income by furnishing your clients with "An Income When They Need It Most." (If you do not already have a good line of accident and health policies we invite you to write us for full details of our liberal part time proposition.)

Over \$2.00 in Assets . . . for each \$1.00 of Liabilities



## LOYAL PROTECTIVE LIFE INSURANCE COMPANY

BOSTON

MASSACHUSETTS

"Income Protection Since 1895"

## Conference Has Record Session

### Paul Clement, New President, 25 Years in Accident-Health

John M. Powell Is Placed in Line for Advancement Next Year

#### NEW OFFICERS ELECTED

President—Paul Clement, Minnesota Commercial Men's.

Chairman Executive Committee—John M. Powell, Loyal Protective Life.

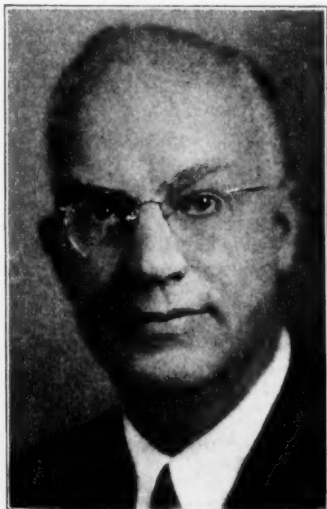
First Vice-president—F. B. Alldredge, Occidental Life.

Second Vice-president—D. G. Trone, Indiana Travelers Assurance.

Secretary—O. F. Davis, Illinois Bankers Life (reelected).

New members of executive committee—James E. Powell, Provident Life & Accident (retiring president); H. P. Skoglund, North American Life & Casualty, and A. D. Johnson, United of Chicago; holdovers, S. C. Carroll, Mutual Benefit Health & Accident; G. F. Manzelmann, North American Life; W. G. Alpaugh, Inter-Ocean Casualty, and L. D. Cavanaugh, Federal Life.

The election of Paul Clement, secretary and general manager of the Minnesota Commercial Men's, as president of the Health & Accident Underwriters Conference, puts at the head of that



PAUL CLEMENT

organization a man who has had nearly 25 years experience in accident and health insurance. He was born in Min-

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### Approval Is Given Board's Public Relations Program

As a result of extensive study, based in considerable measure on the returns to a questionnaire sent to all member companies, the public relations committee of the conference, composed of C. W. Young, Monarch Life, chairman; G. R. Kendall, Washington National; E. H. O'Connor, Bankers Indemnity; F. L. Barnes, Ohio State Life, and W. T. Grant, Business Men's Assurance, presented a definite program of recommendations, which was enthusiastically received as offering the best approach to the subject that has yet been suggested and was approved by the conference at its executive session Thursday.

The report was given the highest praise by President James E. Powell in his annual address and also was commended at the first day's session by John M. Powell, Loyal Protective Life, who urged all those in attendance to study it carefully prior to the executive session.

Before submitting its recommendations, the committee in its report took up the ways in which the work of the various home office departments—agency, claim, executive, underwriting and clerical—and also the agency offices, including the general agent, agency cashier, special agent and agents, affects the problem of public relations.

#### Recommendations of Committee

Its chief recommendations were:

1. That each company examine the attitude with which it has been approaching and handling its day-to-day transactions to see if it has been pursuing that sound policy of fair dealing and sincerity which is the basis for any improvement in policyholder, public, agent, company and employee relations. In the opinion of the committee, it is the task of every company to analyze its own situation, and on the basis of this analysis to lay out specifically and in detail the plans to meet each company's problems, as the only realistic approach.

2. That appropriate literature be prepared by the conference, combining quality with modesty, perhaps in the form of a single booklet including the ideas of the membership in telling what accident and health insurance is and what it does, the needs for the coverage, the types of coverage, and the relationship of private enterprise to accident and health insurance in its development, and the desirability of its preservation.

Suggestions as to methods of eliminating possible friction at the source include:

Meeting the claimant more than half way, and at the same time, abandoning technicalities.

Developing to the full the capacities of present agents before making further additions to our agency force and when new additions are made, as far as humanly possible, securing better men to distribute service—with the recognition that there is no substitute for continuous training and supervision.

Giving personal executive attention to

complaints and policyholder inquiries by having all policyholder complaints referred to a top executive for handling.

Making the new policyholder feel closer to the company by such means as is at the disposal of each company, such as through letters that are carefully and attractively written, while maintaining a friendly and human note; by the use of inclosures which are designed as carefully as the letters should be so as to give the policyholder a real chance to know the company and what it is trying to do for the policyholder in terms of the policyholder's own interests.

#### Maintain Careful Conservation

Maintaining careful conservation methods. Lapsation strikes at the very tap root of company building. Persistency of business is the best index of the vitality of a company. The struggle during the past years to convert a declining premium income into a corresponding gain in business in force has widened the conception of the meaning and of the possibilities in the term "conservation." The committee feels that reinstatement efforts are the least important factor in conservation work, and that conservation does not really begin when the lapse occurs. It considers that prevention is much more effective and that today conservation is in reality the means of preventing lapses before they occur. Lapses start with the company's judgment in the selection of agents, and with the agent's judgment in prospecting. Much of the prevention work can, therefore, be woven around the thoughts that real conservation effort should begin with careful selections of agents, thorough training, proper prospecting, selling to fulfill needs and suiting the policy to the applicant, as well as a personal follow-up of all business written.

Presenting the annual statement to the policyholders in understanding language.

Maintaining high standards in writing policy contracts, making them as free as possible of ambiguities and eliminating trick clauses.

Broadening coverages to meet the trends and expanding needs of the public through a realization that there is more need than ever for the provision of security against the hazards of life for all citizens of this country. The committee is unanimous in the belief that the attitude of the accident and health companies in this respect should be constructive, and that where the needed coverage is within the scope of the accident and health companies, it is their duty to do our utmost to meet these needs.

Seizing upon every opportunity to make each public transaction by letter or by personal contact a favorable impression of the company, including much closer working arrangements with the medical profession and probably with the bankers as well.

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### Minneapolis Meet Is Outstanding in Every Respect

Notable Program Presented, Forward Steps Are Taken

By FRANK A. POST

When the Minneapolis booster contingent at the Boston meeting last year, headed by H. P. Skoglund, president North American Life & Casualty, landed this year's meeting of the Health & Accident Underwriters Conference for their city, they promised to have a meeting that would make every one who attended feel that he was well repaid for making the trip, and they made good on their promise this week.

This year's meeting was outstanding in every respect. The attendance equaled if it did not exceed the record for any previous meeting, the program was one which held the interests of the members throughout and several forward steps were taken in adoption of public relations and educational programs.

One new company, the Beacon Mutual Indemnity of Columbus, O., was voted into conference membership, bringing the total to 97, the highest since 1930, when mergers and reinsurance began cutting down the number of companies in the conference.

On the entertainment side, those who



JAMES E. POWELL

were appalled at the amount and variety of edibles offered at the clambake in Boston last year had to gasp again when they lined up before the tables at the



smorgasbord Tuesday night. The spirit of good-fellowship was stressed throughout the affair. Carrying out the Scandinavian motif, the entertainment consisted largely of Swedish folk songs and dances. An unusual entertainment program also was put on at the banquet Wednesday night and the Minneapolis companies were hosts at a cocktail party preceding the banquet. All arrangements for the convention were handled very efficiently by Chairman Skoglund and his fellow committee members.

James E. Powell, Provident Life & Accident, as conference president, was in charge of all sessions this year. He received high praise both as a presiding officer and for his thoughtful, forward-looking presidential address.

#### European Situation Discussed

The serious situation in Europe and its possible implications for this country naturally had a place in the thoughts of all those present and in the talks of several speakers. Commissioner Yetka of Minnesota brought the subject up in his address of welcome at the opening session, which was preceded by a striking patriotic ceremony of mounting the colors, carried out in strict military form. The commissioner said all insurance men, as well as all others, must be mindful of their duties as citizens, be careful not to get hysterical and make sure they are on the right path toward the preservation of democratic government in at least one continent.

Turning to insurance, Mr. Yetka lauded the high purpose of the institution. At meetings much can be learned from each other. He declared that it is necessary to build up a proper relation with the public, the foundation on which the business must be based; eliminate unethical practices and give better service to the policyholder. He praised the increasingly close relations between the Bureau of Personal Accident & Health Underwriters and the conference.

#### Arnold Introduces McAndless

O. J. Arnold, president Northwestern National Life, in introducing A. J. McAndless, president Lincoln National Life, the chief speaker at the first session, also referred to the national crisis, saying that American democracy must toughen its sinews. American business, he added, must pay the cost, either by digging into its pocket or by working harder to produce more. He advocated the latter course and urged an extra measure of effort on every job. He said the people of the country need to gain a victory over their fears and to work for a common cause, which he said may be the beginning of a national rebirth.

The entire program was carried out according to schedule except that Governor Stassen of Minnesota, who was to speak at the final session, was unable to attend, with especial emphasis laid on the agency management session which took up the entire second day.

Herbert Miller, chairman Minnesota Resources Commission, substituted for Governor Stassen.

Los Angeles extended an invitation for the next meeting but the decision was left to the executive committee. Total registration was 283, an all time record.

Memorial resolutions were adopted on the deaths of Robert Gowdy, president United Casualty; Price Cross, former president International Travelers; C. P. Waldron, secretary Interstate Business Mens; Roy Spangler, assistant secretary Woodmen Accident; Dr. R. E. Fort, vice-president National Life & Accident; Z. H. Austin, former president North American Life & Casualty, and H. H. Shomo, board chairman American Casualty.

Mr. and Mrs. Clyde W. Young were presented a beautiful bouquet of roses in celebration of their 28th wedding anniversary. Mrs. H. P. Skoglund also was given a bouquet for her work on the ladies entertainment committee.

Bridge winners were: Mrs. J. E. Powell, Chattanooga, first; Mrs. E. G. Trimble, Jr., Kansas City, second, and Mrs. Harold R. Gordon, Chicago, third.

### Headed for Presidency of Conference in '41



JOHN M. POWELL  
Loyal Protective Life

### Gavels Presented to 13 Conference Past Presidents

The big feature of the banquet Wednesday night was the presentation of gavels to past presidents of the conference, 13 of whom were present to receive them in person.

The dean of the past presidents present was Isaac Miller Hamilton, now board chairman of Federal Life, who headed the conference in 1919-20. Others were: E. C. Budlong, executive secretary National Accident & Health Association, 1923; C. O. Pauley, Great Northern Life, 1925; W. T. Grant, Business Men's Assurance, 1927; J. W. Scherr, Inter-Ocean Casualty, 1928; Watson Powell, American Republic, 1929; Dr. J. R. Neal, Alliance Life, 1931; C. W. McNeill, Union Mutual Life, 1933; George Manzelmann, North American Accident, 1935; George R. Kendall, Washington National, 1937; S. C. Carroll, Mutual Benefit Health & Accident, 1938; L. D. Cavanaugh, Federal Life, 1939.

Mr. Grant responded for the ex-presidents and reviewed the highlights of conference history through the years. Letters were read from V. D. Clift, president Federal Life & Casualty, Detroit, oldest living ex-president, and R. P. Shorts, Saginaw, Mich. John J.

### Seek Improvement In Methods of Home Office Management

Two important contributions to improvement of home office management methods were made at the session devoted to that subject Tuesday afternoon in the presentation by E. J. Faulkner, Woodmen Accident, of the proposed educational plan for home office employees and the discussion by L. D. Ramsey, Business Men's Assurance, of records and equipment in the modern office. F. B. Alldredge, Occidental Life, presided at that session, taking the place of R. L. Spangler, Woodmen Accident, who was unable to attend.

Mr. Faulkner's presentation was the fruition of the work which has been carried on by a committee which he heads since the conference approved the idea two years ago. He stressed the public relations value of such a plan in combating the general public skepticism which has arisen and in fortifying the consumer against false and misleading information, as well as improving home office efficiency.

#### Knowledge Is Essential

G. A. L'Estrange, Wisconsin National Life, said he thought in that respect it works in well with the widely discussed report of the public relations committee presented by C. W. Young, Monarch Life, as chairman. He said it is impossible to have good public relations without knowledge and education. He also said he had found in his own company that the ignorance of many of those doing routine work is "appalling."

In discussing Mr. Ramsey's paper, J. W. Scherr, Jr., Inter-Ocean Casualty, said the installation of new home office equipment would have to be considered from the standpoint of the small and medium sized companies. The main consideration in some cases is not the cost but the fact that it would interfere with the work that older employees now are doing.

O. J. Guilbault, United Life & Accident, referred to the advantages of photographing old records. He said when his company decided to build a new home office it found that procedure highly desirable. He also took up the advantage of modern letter writing methods and the use of dictating and transcribing machines, and the question of home office lighting.

King, president Hooper-Holmes Bureau, gave some reminiscences of the early days of the conference.

### Handled Convention Arrangements



H. P. SKOGLUND  
North American Life & Casualty  
General Convention Chairman



G. A. L'ESTRANGE  
Wisconsin National Life  
Program Chairman

## James Powell Urges Study of What Public Wants

### Possibilities of Consumer Research and Pool for Experiments Suggested

"Are we really attempting to give the public what it wants, or are we trying to make them want what we desire to give it?" James E. Powell, vice-president Provident Life & Accident, asked in his presidential address. Citing as an example the consumer preference research conducted by an automobile company, Mr. Powell declared, "Research has been of such great value to many lines of industry, is it not possible that it likewise has worth while possibilities for us? Most of the changes which have occurred in our coverages have resulted from the pressure of our sales organization. There has been no scientific approach to the problem, no careful study on a broad basis of what the public actually wants in the way of accident and sickness insurance."

"It is possible that such a study would involve the employment of additional personnel in our executive offices, with other attendant expense. During the course of this research and study, it might be deemed advisable to issue on an experimental basis coverages which no one company would feel justified in underwriting. The formation of a pool would spread the risk in such a way as to offer no threat to any individual company, and experience figures could be developed which could prove of incalculable value to us in the further broadening of our clientele."

#### What Does the Public Want?

"The problem is a large and continuing one, but it would seem the part of logic to learn the real attitude of the average prospective buyer to our product, and to learn how we might honestly make that product more attractive to him. More sales, more policyholders mean far more than just additional premium income. Consider the way our underwriting problems would disappear and the economies in cost we could effect by doubling or tripling the number of our policyholders. This greater, more general acceptance of our coverage is extremely important in another way. Ours is a line of endeavor which appeals to the politically minded. Many in high places today are ready to suggest that government do by fiat and taxation the very thing we are doing by private initiative and free contact. As our clientele increases, as we extend our service to a larger and larger number of people, the force of their arguments and the possibilities of their ultimate success correspondingly decrease."

#### Outsiders Pioneer Hospitalization

The business will receive the patronage of the people only as long as it merits it. The astounding success of the hospitalization coverage idea furnishes an example and warning in this regard, Mr. Powell declared. The people were ready for hospitalization insurance but the companies did not pioneer the field. Persons with no connection with the business and who in some instances have no favorable intention toward it, created it and began to meet the demand. The insurance companies then stepped in and they undoubtedly are getting the greater part of the business written today. "We have no cause to complain in this instance. But, what about next time? What other changes are there in our coverages which would make them more

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# Feature Agency Management Topics

## More Color Needed in Material Home Office Sends Agents

### Put Greater Human Appeal Into Premium Notices to Insured, Alldredge Urges

Improved relations with the field force and with the public can best be brought about by putting a more humanizing tone, colorful and attractive appearance, effective and punchful copy into forms, letters, house organs, circulars, notices, receipts and other material sent out by the home office. That was the solution suggested by F. B. Alldredge, Occidental Life, in his talk at the agency management session.

As to the reaction on the agency force, he said every typewritten or printed form, prepared for use by the agents, should have sales and eye-appeal. Attractive materials will bolster up the morale of the agent and put punch into the sale.

### Two Kinds of House Organs

"Agents are temperamental and high-spirited personalities, or they wouldn't be worth a tinker's dam! The agent is a salesman—and, as such, is very susceptible to sales appeal and sales psychology. Backing up the army of agents with a formidable array of colorful and effective circulars, applications, policies, and other materials, is like clearing the way for the infantry with an artillery barrage and strafing airplanes, and then supporting them with tanks, machine guns and motorized units. If a printing job does not have color, effective copy, and super-sales psychology, it is a dud.

"Regardless of the special technical requirements needed to produce individualistic material suitable to the characteristics of any one company, the same general principles of sales-appeal, colorful and attractive appearance, effective

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## Questionnaire Shows Agent Opinion of Home Offices

What do accident and health agents think of their home offices? In an effort to secure an answer to that question, the agency management committee of the Health & Accident Underwriters Conference had the member companies of the conference send out a questionnaire to their agents.

The results were reviewed by O. F. Davis, Illinois Bankers Life, at the agency management session. The agent was asked to answer all questions fully, without disclosing his identity, and to mail the completed questionnaire, in an envelope which was furnished him, to the executive office of the conference. Replies were received from 479 agents, about 29 percent of those to whom questionnaires were sent, representing 64 companies in 42 states and the District of Columbia.

### Most Approve Present Methods

In this way, a very frank and free expression of opinion was secured. Most of the replies approved the companies' operating methods, but many constructive comments and suggestions were received.

There was evidenced a general feeling of concern over the future of the accident and health business, most of it optimistic, however. There were many suggestions for its betterment, including recommendation of national and institutional advertising through newspapers, radio, etc., more cooperation between companies, more friendly, understandable and fair contacts between the companies and policyholders, more care in the underwriting of risks before acceptance; and particularly stressed were the following recommendations: Betterment of training of new agents, exclusion of ambiguities and "trick" clauses in policy contracts, and the elimination of the cheaper limited forms of policies. There was expressed some concern over the possibility of governmental disability insurance projects and a feeling that something should be done about them by the private companies now in the business.

The first section covered the agents' personal record. Of the agents who answered these questions, but 30 per-

cent give their full time to the accident and health insurance business; 36 percent give 50 percent or more of their time; whereas 34 percent give less than 50 percent, many indicating that they give as little as 1 percent of their time to this business.

The average number of applications written monthly was 13, and the average first commissions earned approximately \$81.24 per month, which average production and first commissions, when it is considered that but 30 percent of those reporting are giving their full time, is far from an unsatisfactory average. Renewal commissions are not involved.

The average number of years that these agents have been active in the accident and health field is eight years. This high average was brought about as a result of many individuals' having been in the business for from 25 to 40 years.

### Views on Agency Department

In regard to operations of the agency department, 83 percent of the agents replying stated that the sales ideas and materials now provided are satisfactorily effective, 17 percent definitely suggested improvement. Only 12 percent indicated that sales aids are not used in selling, whereas 64 percent use sales aids in some of their interviews, and 24 percent in all interviews. This, of course, would indicate not only that not all sales aids are effective, but that not all interviews lend themselves to the use of sales aids.

There are 73 percent that prefer visual folders, 27 percent do not; 76 percent prefer descriptive folders and 24 percent do not. Of these agents, 51 percent use a pen or pencil in all presentations, 37 percent use these mechanical aids in some of their presentations, whereas only 12 percent entirely eliminate the use of a pen or pencil in presenting their coverage.

Gratifying to the agency men is the fact that 76 percent of the agents consider that they get 100 percent cooperation from the agency departments. Only 9 percent believe that they get but 80 percent cooperation; 11 percent, 60 percent

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## Program Unified, Well Integrated, Holds Interest

### Reflects Work That Has Been Done by Committee Throughout Past Year

The fact that the agency management sessions, to which an entire day was devoted this year, were generally regarded as the outstanding feature of this conference meeting was not an accident or a coincidence. The agency management committee of the conference, headed by E. H. Ferguson, Great Northern Life, who is also the newly elected president of the National Accident & Health Association, started work on the program for this meeting as soon as it was appointed and has held numerous sessions throughout the year in an effort to build a unified and integrated program of the highest standard. The success which attended its efforts may be gauged by the interest which was maintained throughout the sessions and the acclaim with which they were hailed at the conclusion.

Mr. Ferguson presided throughout the day. The program started with what was perhaps its most interesting feature, a summary presented by O. F. Davis, Illinois Bankers Life, of the returns on a questionnaire prepared by the committee and sent out through the conference executive office, designed to find out what the agents think of their home offices and the various departments in those offices. It ended with a statement by Francis L. Merritt, Monarch Life, of the desirability of concentrating on the training of selected men of a higher type, which was intended to sum up the entire program and the committee's work for the year.

In discussing the report made by Mr. Davis, George W. Young, Interstate Business Men's, speaking as an old claim man, expressed his appreciation

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## SPEAKERS AT SESSIONS ON AGENCY MANAGEMENT PROBLEMS



E. H. FERGUSON, Chairman  
Great Northern Life



O. F. DAVIS  
Illinois Bankers Life



F. B. ALLDREDGE  
Occidental Life



FRANCIS L. MERRITT  
Monarch Life



## Better Training for Selected Men Key to Better Service

**Merritt Shows How Such a Program Would Cut Costs and Improve Results**

While accident and health insurance has performed a wonderful service in providing workers of this country with protection and the public is grateful, it is looking to the institution for better service in the future, Francis L. Merritt, vice-president and agency manager Monarch Life, said in his talk at the agency management session. To bring this about, it is necessary to provide the agency force with (1) a quality product, (2) a quality compensation and (3) a high quality of training and all round cooperation.

"We start with just two ingredients," he said, "(1) the basic values we offer; (2) the skill with which we present them. We can improve only by giving better basic service and a more skillful presentation. The basic quality of our goods can be improved only in ratio to the skill and quality of our merchandising plan."

### Would Train Selected Men

Mr. Merritt said that the agency manager's big job is selling the executives of his company on the wisdom of investing more effective time and money in training selected men. The company either will pay now in terms of specific cooperation with selected agents, or it will pay later in higher cost of doing business and poorer public attitude toward the business.

"Years ago," he said, "the agency executive was usually told: 'We will take care of the underwriting; we will take care of the claims; we will take care of the persistency; we will take care of the quality; we will take care of everything else. You give us the business.'"

"Today all these important responsibilities are placed squarely upon his shoulders. Yesterday he went out and got the business. Today he must get it, and at the same time produce all of these other favorable factors that go to make up an effective result. Tomorrow he must maintain a happy relationship between his company and its public."

"There is only one basic method whereby we can deliver a better and more nearly complete service to our policyholders, and that is by reducing unit expenses. This must come, not as

the result of reduced commissions or income, but as a result of improved performance.

"What are some of the factors that increase our costs and diminish our ability to present a better service to our public? Let's start at the very beginning of the insurance transaction. A rejected policy is an expense to the company. The contract that the untrained agent cannot deliver to his customer travels through many hands, and the cost must be charged to the service that the company renders its public.

"Poor persistency makes for greater cost; in fact, every single miscellaneous expense in home office or field, that cannot be justified under the heading of 'real benefits rendered,' will ultimately decrease the service or retard the improvements that should be made."

### Pictures Business as Wheel

Picturing the business as a wheel, he said that too much attention has been given to the spokes, representing individual problems such as rejections, not-takens, lapses, underwriting, excessive claims, quality business, public relations, correspondence and all sorts of miscellaneous items that go to make up the business. It is necessary to spend more time building a stronger hub for the wheel—better branch office management—and a more efficient and "characterized" sales organization as the "rim" of the wheel. Together, they can do more to help serve the public more effectively and more economically than all the agency executive can do on the various individual problems that face him tomorrow.

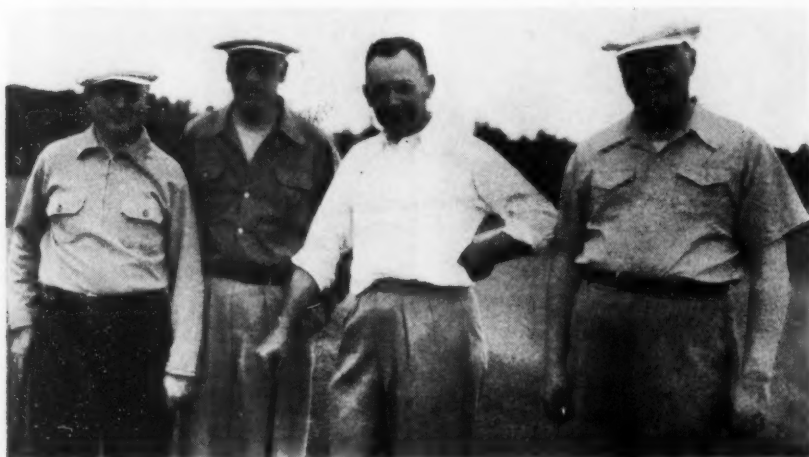
He declared that the greater the proportion of new men to experienced men, the greater the cost of doing business; the smaller the proportion of new organization to old organization, assuming proper selection and supervision, the lower is the cost. He applied the various cost factors to a group of good, steady producing veterans and also to a group of new, untried and untrained men.

### Cost Less With Trained Men

He asked which costs the most per unit of production, to recruit, train and supervise a group of new men or to supervise a group of steady producing veteran salesmen and get a given volume of business. Similarly, on rejections, not-takens, persistency of business, quality of business, he asked: "From which group would you get the most economical results?"

Likewise, on underwriting, claims, correspondence, as well as 100 other indirect miscellaneous costs: "Which group would give your underwriters the least work per application received, your claim department the least trouble to satisfy those policyholders? Which group would create the least correspondence and the least expense to all of the various departments of your business?"

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L. D. Ramsey, Business Men's Assurance; D. G. Trone, Indiana Travelers; John M. Powell, Loyal Protective Life; G. A. L'Estrange, Wisconsin National Life.

**Our Agents Don't Worry About Competition! They Are Too Busy Servicing Prospects for Our Distinctive Line of Up to Date Income Protection Policies.**

## There's Real Value In These Contracts

- The Five Star Accident
- The Dual Service Disability
- The Dual Service Womens
- The Commercial Womens
- The Improved Acme
- The Super Disability
- The New Monarch
- The Utility Accident

*Income Protection Exclusively Since 1903*

**Inter-Ocean Casualty Company**

Executive Offices, Cincinnati, Ohio

## New High in Premiums and Service Reported by Gordon

The accident and health business reached a new high in point of premium volume as well as service to the public during the past year, Harold R. Gordon, executive secretary Health & Accident Underwriters Conference, stated in his annual report. The annual income of all accident and health companies is now greater than at any other time in the history of the business.

The conference attained a new peak in results during the past year and the officers, executive committees and executive staff have had a busy year, Mr. Gordon said. A number of life and casualty companies have entered the accident and health field and practically all of them are now members of the conference. Since January the conference has added eight new members and applications are pending from two others. The membership represented a premium income in 1939 of over \$91,000,000, despite the fact that several of the new members did not write any accident and health business last year. The conference is now represented by companies domiciled in 22 states and Canada.

### Committees Are Active

The agency management committee worked diligently and held a number of meetings at which many tentative plans and activities were discussed. The committee is sponsoring a new agency management bulletin for disseminating ideas and reporting on its activities.

The achievements of the education committee and its plan for installation of training courses are a decided step forward, Mr. Gordon declared.

The public relations committee has spent a great amount of time in giving serious consideration to this important

phase of the business. Special group and non-cancellable reserves committees have been functioning. Consideration was given to the advisability of a model law, defining and providing standard provisions for group accident and health policies. The preparation of a group law digest is being contemplated.

The holding of regional meetings is now an established institution. Gatherings were held in Omaha, Minneapolis, Indianapolis and Boston during the past year. Public relations and hospital insurance were the main subjects discussed.

Only eight legislatures were in regular session last year, so that legislative activity was not heavy. In New York a number of accident and health bills were introduced. One of the most important bills enacted amended the new standard provisions by putting the language of these provisions in the same form as under the old measure. This will eliminate the necessity of printing a special policy form or rider for New York. Another New York bill amended the new code in respect to licensing of accident and health agents by removing the exemption of a qualifying examination. Another measure broadened the blanket accident and health section by adding to the types of risk covered any association composed of 50 or more members having a common interest.

A new Jersey bill was enacted permitting accident and health companies to issue coverage to all members of one family in one policy and permitting a \$200 funeral benefit.

Circumstances during the past year have necessitated frequent contact with the insurance departments. A conference was held with a group of New England

commissioners and difficulties in California regarding approval of policy forms were ironed out. The conference is now preparing an illustrative form to serve as a guide for the construction of California policy forms with respect to size and character of type.

Attention was focused on the war risk exclusion clauses in accident policies as the result of the promulgation by life companies of new clauses in their contract. Since the first war the accident companies have been using a clause excluding liability incurred as a result of war or any act of war or while in military or naval service.

### Commissioners Give Approval

At the Biloxi meeting of the National Association of Insurance Commissioners the accident and health committee adopted a resolution approving a proper war risk exclusion clause in accident policies. Subsequently a hearing was held before the Illinois department and an acceptable clause was approved.

In Iowa the commissioner has refused to approve the usual war risk clause and the only one he will approve is not acceptable to the companies. As a result most companies are using only previously approved policy forms.

In New Jersey the department has disapproved the usual war risk clause unless it includes the provision for returning the unearned portion of the premium when a policyholder is subject to the hazards of war. Some companies have solved the problem by assuming that the war risk hazard in this country does not affect the average contract and inserting a territorial limitation whereby liability is limited to loss incurred in the United States.

For a number of years it has been necessary for the companies to issue special policy contracts in Iowa because of difference in the standard provisions there. A rider has been drafted that brings the Iowa statutes in conformity

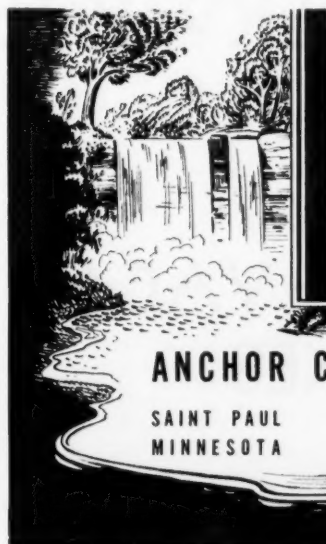


HAROLD R. GORDON

with the usual standard provisions. By attaching this rider to a contract containing the usual standard provisions, amendments are made so that the policy conforms to the Iowa law. The rider has been approved by the Iowa department and resulted in huge savings in time and money to the companies.

Difficulties arose in Mississippi over a statute which defines the accidental death benefit as a life insurance contract subject to the laws relating to life policies. The commissioner issued a ruling that accident policies containing a reimbursement or "not to exceed" indemnity clause, could not be approved. Later the attorney-general held the statute pertains only to benefits "conditioned upon the continuance or cessation of human life" and is not applicable to any other type of insurance benefit.

Home Office  
Near the Falls of Minnehaha  
On the Mississippi River



ANCHOR CASUALTY COMPANY

SAINT PAUL  
MINNESOTA

Use the Anchor

on your

Sickness and Accident Coverage

including

Automobile Medical Reimbursement

A Multiple Line Casualty Company





## "Man on Paper" Is Biggest Factor in Building Business

**Agent Must Select Risks, Then Present Proper Picture, T. T. McClintock Says**

The importance of "the man on paper"—the buyer of accident and health insurance, especially as pictured in his application—was emphasized by T. T. McClintock, Ohio State Life, in his address at the agency management session. The future of both the agents and their companies, he said, depends entirely on the type of person to whom they sell income protection insurance.

Getting business and selecting it go hand in hand, he said. Regardless of the commission arrangement under which an agent may be operating, if he is to prosper every year, he must take the long range view. His income ten years hence depends upon how he selects his prospects and presents them as applicants to his company now. Carefully selected risks, who know that a company is especially particular about the type of people it insures, are proud to be policyholders of such a company. The natural result is a lower termination rate for agents who understand the importance of careful selection. Such business has a low loss ratio and claim controversies are at a minimum.

Good public relations also depend to a great extent on how the agent presents to his company "the man on paper."

"The salesman sees his man in person," Mr. McClintock said. "We don't. He knows something about his home, his family, his business, his social contacts. The information he secures helps him decide whether or not this prospect will be acceptable, one who will keep his insurance in force and who will be fair and honorable when he must present a claim."

The home office underwriter must base his decisions on his knowledge of the agent, the experience the company has had on that agent's business, the information in the application, and additional information obtained from other sources as to the applicant's insurance record, his habits, income, home life, business connections, duties. When the application discloses practically the same information as obtained through the usual investigation, the underwriter is satisfied that the agent has done his part. But when an applicant's record and inspection do not correspond with the picture of "the man on paper" the underwriter has to decide whether the applicant withheld certain information, or the agent fell down on his part. If the agent's record shows that he has invariably performed his work completely, the underwriter can act on the application without feeling that he has done the applicant an injustice.

### Applicant May Not Have Fair Chance

Unfortunately the home office underwriter does not always know the agent, either personally, or from his previous business. He might be new in the accident and health business or he might submit only an occasional application. In that case it is possible that the applicant was not given a fair chance from the start, because the salesman did not know how, or failed to take the necessary care, to present properly "the man on paper." The result is that the agent loses a sale, which means lost income; the company loses a policyholder, and all efforts and desires to build good will are thwarted.

## Program Unified, Well Integrated

(CONTINUED FROM PAGE 3)

tion of the agents' attitude toward the claim departments. He approved highly the development of a spirit of research in connection with accident and health insurance. The questionnaire developed, he said, the need for less smugness in home offices and a more human attitude. He emphasized the need for getting the agent's viewpoint and said that the more time he spends in the field, the more he recognizes that a high degree of moral stamina is needed by the man selling accident and health insurance.

### Agent Is an Individual

S. C. Carroll, Mutual Benefit Health & Accident, said the survey proved primarily that the agent is an individual and that producers can't be dealt with as though they were poured from the same mold. He believes every home office man should put himself in the agent's spot and answer the same questions propounded to him.

Replying to the suggestion in one answer that there should be fewer restrictions in health policies, he said an examination of the record will show that less than 1/3 of 1 percent of health claims goes to court, less than in any other line of insurance, although in case of deaths, fires or automobile accidents the result can be seen, while in illness this is not always true.

George R. Kendall, Washington National, said one result of the survey certainly should be to make all home office men more conscious of how their actions and their efforts are received by the field force.

Discussing the talk by T. T. McClintock, Ohio State Life, on "The Man on Paper," G. A. L'Estrange, Wisconsin National Life, suggested that it might

have been well to tell what was being done to carry out these ideas.

J. H. Thornburg, veteran accident and health underwriter of the National Casualty, agreed with Mr. McClintock in regard to the importance of care in correspondence and the difficulty of visualizing "the man on paper." He likewise favored more personal contacts, saying that it is much easier to dictate a letter to a man one knows.

He approved the idea of education and training the agent to sell with the proper underwriting viewpoint. "If the agent sends us good risks, we will have good business on the books," he said. However, he said, education is not enough. He pointed out that in spite of anti-crime and peace campaigns, police and armies are still needed. In the same way, he said, underwriting and claim departments are needed to weed out the fraudulent and unscrupulous among both claimants and agents. Some agents, he added, are an actual liability to their companies. He urged a continued careful analysis of applications, mentioning particularly the typewritten application, which shows it was not actually filled out by the applicant himself, and thorough investigation of agents before they are licensed and of claims when they are submitted.

(CONTINUED ON PAGE 8)

### Bureau Well Represented

The Bureau of Personal Accident & Health Underwriters was officially represented by Thomas Hook, Standard Accident, chairman of the governing committee, and Ralph M. Brann, secretary. The two immediate past chairmen, John F. Lydon, Ocean Accident, and E. H. O'Connor, Bankers Indemnity, also were in attendance.

Mr. Hook was introduced and spoke briefly, emphasizing the friendly relations between the two organizations. Mr. Brann said it was the first time he had attended a conference meeting but that if invited in the future he would "bust something" if he had to in order to attend.

# GREETINGS TO THE 39th ANNUAL MEETING of the HEALTH & ACCIDENT UNDERWRITERS CONFERENCE

and

## WELCOME TO MINNESOTA—VACATION LAND OF 11,007 LAKES

## MINNESOTA COMMERCIAL MEN'S ASSOCIATION

PAUL CLEMENT, Secretary

MINNEAPOLIS, MINN.



## Value of New Educational Plan for Employees Told

Building a better informed group within the industry is an important factor in meeting the need for better public relations, E. J. Faulkner, president Woodmen Accident, pointed out in presenting the Health & Accident Underwriters Conference's educational plan for home office employees, which includes the publishing of a textbook. It is futile to deny that people are looking at all business today with a critical eye, Mr. Faulkner stated. In addition, "we are all too familiar with the avid interest of the federal administration in our industry to be blind to the possible consequences of this attention."

These influences have culminated in a situation which has been variously diagnosed as requiring a conscious and intelligent effort at improving insurance's public relations. "In the last analysis, business, ours or any others, will continue to prosper, will change, or disappear in terms of the approval or disapproval of the consumers whom it is set up to serve," Mr. Faulkner stated.

It would be a mistake, he said, to assume that any employee educational program is more than a partial answer touching but one phase of the whole problem of public relations. However, if our employees have the whole picture of disability insurance at work they can and will be among our best ambassadors. If illy informed they are more likely to be indifferent to our problems. How can we reasonably expect to make our institution articulate and understandable to the lay public until our own personnel has become more widely conversant with the fundamentals of the business?

Two years ago when the conference education committee first began making plans for an educational program, a survey was conducted. Only one company in four carries on any educational work of any kind among the members of its home office staff. Probably not more than 20 of the 300 companies in the business have any definite program for the employees to follow. The survey also showed that most companies recognized the need for such a program and indicated their desire to participate in any workable scheme which the conference would undertake. As a result of a preliminary report in 1938, the conference endorsed the undertaking and authorized the establishment of an educational institute.

### Can Hold Down Cost

The experience of insurance companies in other fields demonstrates the desirability of intercompany rather than single company sponsorship for any such training program. The work not only is given a large scale impetus because of the interest of many companies in the success of the institute, but in the eye of the individual student the program carries a much greater prestige. Because the curriculum can be formulated without reference to the peculiarities of any particular company and because the work requirements can be set without any personal bias, an intercompany institute can insist upon higher standards than would be the case if a single company attempted this sort of an undertaking.

### Make Plans an Actuality

The education committee began working over two years ago on plans for making the institute an actuality. The first problem which presented itself was that of delineating the material to be covered. Because other lines of insurance which border on disability protection are offering fine work in their respective fields, it was necessary to steer between inadequacy and duplication, feeling it better to confine the initial effort at least to those spheres which are

not now covered elsewhere. For this reason it is desirable to offer a basic course and an advanced course. The basic course will deal with the fundamental principles and practices of accident and health insurance, intending to give the student a broad picture of the business. The subject matter will have a wide-spread appeal to any one engaged in any phase of our activity. The advanced course which will be offered subsequent to completion of the basic work, is intended to encourage a wider knowledge of collateral fields which may bear upon the work in which the student is engaged. These may be law, medicine, finance or sociology which, while not a part of the accident and health business, influence it tremendously.

One of the big obstacles to the successful inauguration of the institute was the lack of any general text book material. Several excellent but incomplete summaries of accident and health insurance are contained in general text books. There is some little data available in pamphlet form and many well

written articles have appeared from time to time in the insurance press. Because much of this data is now difficult to secure and because it is scattered in such a diffuse manner, it does not lend itself readily to the student's purpose. Under the circumstances it seemed to us that the satisfactory development of an educational program depended upon publication of a general survey of the entire business.

A book will shortly be published under Mr. Faulkner's name. "It is in reality the fruit of the collaboration of a great many people," Mr. Faulkner explained. "In dealing with the different phases of the business we have sought and secured guidance from experts in different lines."

In developing the text book the sole purpose was to achieve a factual analysis of the industry rather than to attempt an argumentative treatment of its problems or offer suggestions for their solution.

As soon as the bibliography and text book are published and ready for distribution to conference companies which intend to participate in the work of the educational institute, the next step will be the organization of classes in each home office. In this phase of the program the attitude of the executives of the individual companies will very

largely determine the response of their employees, Mr. Faulkner commented.

## Kimball Wins Brackett Cup in Golf Tourney

Although weather conditions were somewhat inauspicious at the opening of the golf tournament, they improved as the day advanced and the tournament was regarded as a decided success. There were nearly 100 at the dinner at the golf club Monday evening, with G. A. L'Estrange, Wisconsin National Life, as toastmaster and master of ceremonies.

John Kimball, Midwest Casualty, won the Brackett trophy, donated by the late C. H. Brackett for low net score and first awarded in 1930. Other gold winners were: Second low net, R. J. Wetterlund, Washington National; low gross, H. C. Carden, Mutual Benefit Health & Accident; second low gross, L. R. Sams, Retail Credit; blind bogey, J. J. Helby, Federal Casualty; Kenneth O'Connor, Maccabees; E. B. Fuller, Loyal Protective Life; H. R. Gordon, executive secretary, and R. J. Wetterlund; draw prize, D. A. Sherman, National Travelers Casualty; high gross, S. R. Rauwolf, North American Accident.

# "NO DEFAULT"

★ "Not one single issue of the Company's current holdings in bonds is in default as to PRINCIPAL or INTEREST."  
(From the Company's 44th Annual Statement, December 31, 1939)

Investigate the advantages of a connection with this progressive Northwest Company which can point to an average yearly increase of 36% in premium income in the last 3 years!

Established



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## North American Life and Casualty Company

H. P. SKOGLUND, President

MINNEAPOLIS, MINNESOTA

LIFE • ACCIDENT • HEALTH • HOSPITALIZATION

## Program Unified, Well Integrated, Holds Interest

(CONTINUED FROM PAGE 6)

M. B. Oakes, Taylor Publishing Company, discussed the need of sales management, how it works and what it can accomplish.

The feature of the agency management luncheon, held for the first time this year, was the presentation of a very clever radio skit written by J. W. Scherr, Jr., Inter-Ocean Casualty, which burlesqued the methods of the home office agency manager.

### Sales Manager, Architect, Coach

The job of sales management was compared to those of the architect and the football coach in the talk by J. S. Shaw, vice-president Brown & Bigelow, St. Paul. At the outset he reviewed the development in the art of selling, starting with what he termed "personality selling," when the salesman's first idea was to make a favorable impression, selling his personality and expecting to get the order on that basis.

Then there was the era of "clever selling," when it was felt that the salesman had to be more clever than the buyer and outwit him. The implication was that he wouldn't buy if he knew what he was buying. This was followed by the canned sales talk or standardized presentation, based on the idea that there is but one best way to sell anything and that it should be used by everyone.

### Now Help Buyer Buy

Now, he said, salesmanship is more a matter of helping the buyer buy. There is still a need for a friendly basis of contact and a logical presentation, but for more than that. Sales procedure is not so much standardized as organized.

It was in that connection that he used the simile of the architect. He follows the basic principles of building, but at the same time designs a home to meet the individual's needs. The salesman

for his part must not only know about his product but must understand its application to the prospect's needs.

In the early days, the salesman quite largely developed his own technique but now the sales manager must take the responsibility for the quality of selling work in his organization. The sales force can be no better than the sales manager. The football coach in his work first attracts good men and then starts the training job, which isn't as hard as the job of training salesmen. He also keeps up intensive drilling. He doesn't stop after his first game. A "do or die" pep talk used to be a big part of the coach's job, but it takes more now.

### Must Have Plan for Building

The sales manager must have a definite plan for building. The contractor needs a blueprint. He can't build just as he goes along. There must be a plan for a period of years, but with a definite schedule for the first year.

As sales conditions change, too often the salesman is left to meet these changing conditions without enough help. Men just now are postponing buying for different reasons than they advanced six weeks ago. The management should analyze these conditions and supply answers to the new objections.

The sales manager also must accept the responsibility for the average earnings of salesmen and for turnover in the sales force. Stress should be laid not on the number of salesmen but on the number of successful salesmen. Those who do not succeed fall into two classes. Either they shouldn't have been hired or, if they had the inherent qualities, they haven't been taught how to sell.

A plea for more color and a more humanized touch in material sent out to agents was voiced by F. B. Alldredge, Occidental Life.

In the discussion, E. B. Fuller, Loyal Protective Life, said the agent has need for modern equipment as much as the

doctor or the craftsman. On the matter of house organs, he said his company has adopted the plan of putting out two issues each month, on the 1st and 15th. This plan has been found to have three advantages: (1) It gets the field news, contest standings, etc., to the agents sooner; (2) a larger number apparently will read through the two smaller issues; (3) the editor and his associates can distribute their work more evenly.

He favors the idea of "dressing up" the premium notice and a "thank you" receipt, with some visualized sales appeal. He doesn't favor drawing attention to the fact that the policyholder hasn't had a claim, as it might make him claim-conscious.

In all material that is sent out, he feels that the more pictures and illustrations, the better.

S. R. Rauwolf, North American Accident, said material sent to agents should be concise and sufficiently varied so that the agent will believe the company was thinking of his particular needs. He believes agents will use new ideas if they

have been demonstrated to have pulling power. He spoke of a gadget used by his company to make it easier for agents to determine the rates for different classifications. He disagreed with the idea of dressing up renewal notices and said the electric light and telephone companies don't have to resell their service every month. He believes it is the agent's place to keep the policyholder sold through a warm personal contact.

Col. J. W. Blunt, Monarch Life, in stressing the value of eye appeal cited the difficulty of resisting the glowing pictures put out by the travel bureaus. His company, like the Loyal Protective, is putting out two house organs a month, one devoted to life and the other to accident and health insurance, and containing some successful sales-producing ideas in each issue. He believes much of the sales material and house organs put out are entirely wasted. To show the need for reform in premium receipts, he told of a conversation with a man on

(CONTINUED ON PAGE 10)

## Accident and Health Leads the Way—

SUCCESS for an Accident and Health insurance salesman depends upon five definite points.

1. HIMSELF
2. HIS FIELD
3. HIS POLICY CONTRACTS
4. HIS CONTRACT
5. HIS COMPANY

All of these are equally important. If all are good, success can be assured.

To the man who believes in himself, we will supply the other requisites.

LIFE\* ACCIDENT\* HEALTH\*

Openings in Wisconsin, Illinois, Indiana,  
Michigan and Minnesota

**WISCONSIN NATIONAL  
LIFE INSURANCE COMPANY**  
OSHKOSH . . . . . WISCONSIN

*Our  
40th  
Year*

## Of SERVICE To MINISTERS

Accident and Health Insurance  
Endowment - Term -  
Ordinary Life Policies  
Steady increase of assets and surplus

*"Most sound insurance per dollar  
of cost"*

Write for full particulars

**The  
Ministers Life and Casualty Union**  
100 West Franklin Avenue, Minneapolis, Minnesota

**2 TO 1**

The Company with more than \$2.00 in liquid assets with which to pay every \$1.00 it owes.

The Company that can afford to be liberal in underwriting and claim payments.

**THE TIME INSURANCE COMPANY**  
MILWAUKEE, WISCONSIN



## Powell Urges Study of Public Wants

(CONTINUED FROM PAGE 2)

popular with the public? Are we going to realize these changes and offer them to the public, or are we going to wait for persons outside our business to show us what the public wants and what we should offer them?"

The past decade in which accident and health premium increased from \$222,000,000 to \$245,000,000 annually was characterized as a period of accomplishment by Mr. Powell. "Not only have we withstood the rigors of the depression years but our business is on a far sounder and better basis today than it was 10 years ago when some of the excesses of the lush, easy money 20's led us into underwriting and production paths which later proved to be blind alleys. We built this business in the boom days in the era of high income and easy money. We rebuilt it, larger and stronger than ever in the face of hard times, unrest and uncertainty."

### Loss Ratios Cause Concern

The work and accomplishments of the conference in meeting present day problems cannot be over-emphasized, Mr. Powell stated. The standing and special committees through the untiring efforts of various individuals have overcome many misunderstandings in the minds of supervising officials and legislators.

The education committee has completed a text book which will soon be ready for distribution. The agency management committee made a real study of agency training and management problems. The public relations committee has worked diligently. The non-cancellable reserves committee has prepared a report on disabled lives containing much actuarial data which will be of assistance to members.

Membership stands at the highest point since 1930 when reinsurance and consolidations began to decrease the total number of companies, Mr. Powell stated.

### Regionals Are Successful

Regional meetings have been continued successfully. The informal nature of the gatherings and the willingness of all persons to take part in the discussions have made them worth while.

The activities of Harold R. Gordon, executive secretary, in conferring with insurance commissioners in straightening out the situation in New England and Iowa, were commended by Mr. Powell.

The Accident & Health Insurance Week observance was most successful and the facilities of the executive offices and the "fine direction of the executive secretary account in a large measure for the success of this activity," he said.

In looking ahead to the coming decade, Mr. Powell said that the results of the war are bound to have certain profound effects. The insurance business is an important part of the democratic

system. It is the right and privilege of free people to make free contracts to protect themselves against unforeseen emergencies, rather than depending upon the all powerful, all pervading state to provide succor.

## Operation of Mich. Medical Hospital Plans Reviewed

Some interesting figures on the operations of hospital and medical service plans under two new laws enacted by the 1939 Michigan legislature were presented by H. O. Brower, supervisor casualty division Michigan insurance department. Separate acts were passed for the two classes and neither is allowed to enter the other field. Both are placed under the supervision of the insurance department.

The Michigan Society for Group Hospitalization had been operating for two or three months before the new law was passed and had contended that its operations did not constitute insurance and that it did not come under the jurisdiction of the department, but the law provided that it should apply to organizations already in existence.

It had an enrollment of 36,268 subscribers Dec. 31, 1939, had received \$213,656 and expended \$81,836 in payment for hospital service received by subscribers. It showed total admitted assets of \$70,533 and \$2,007 surplus. Subscription fees earned for the year were \$188,081, claims incurred \$97,990 and management expenses incurred \$67,748. The claim ratio was 52.1 and expense ratio 36 plus, which Mr. Brower pointed out is not out of line with the experience of commercial companies. The percent of members hospitalized was 3.6 and the average number of days of hospitalization 7.7.

As of April 30, it reported 203,527 subscribers, income for the four months \$288,033, payments \$167,640 and reserve for pending hospital charges \$32,356.

The Michigan Medical Service was licensed Feb. 1 and issued its first contracts about March 1. As of May 27 it reported 61,786 subscribers under the plan which provides only for surgical benefit while in hospital and 1,352 under the plan for complete medical service. Income for the first two months was \$49,358 and payments \$26,081 on 673 claims, an average of about \$38.75 per claim.

The Michigan plans differ from most of those in operation, he said, in that they are on a state-wide basis. A problem has arisen in connection with the fact that residents of border counties in adjoining states have asked to be admitted to the service. The future of these plans, Mr. Brower said, depends on their administration, the popularity of the service they offer and the sort of service that is given by the companies along the same lines.

## Paul Clement New President

(CONTINUED FROM PAGE 1)

neapolis in 1892 and has spent his entire business career in that city, so that it was especially appropriate that he should be inducted into the presidency of the conference at the only meeting it has held in his home city in recent years.

After graduation from the Minnesota College of Law and several years of banking experience, he started with the Minnesota Commercial Men's in 1915 as cashier, later became office manager and a director and was elected secretary in 1932 on the death of A. J. Alwin, whose right hand man he had been for several years, being in virtual charge of the operations of the association for a year or more prior to Mr. Alwin's death. He has also been secretary-treasurer of the American Benefit Association 11 years.

He has been attending the meetings of the conference since 1917 and has been very active in its affairs in recent years, serving for a number of years as a member of the executive committee, the past year as chairman. He is also president of the International Federation of Commercial Travelers Associations, in which he has likewise been active for many years.

The election of John M. Powell, president Loyal Protective Life of Boston, as chairman of the executive committee of course puts him in line for the presidency next year. Mr. Powell has long been one of the most active and hard-working members of the conference and has been spoken of for several years as presidential timber. He is an actuary by training and was connected with the Columbian National Life in that capacity before joining his present company. He has done outstanding work as chairman of the conference special committee on non-cancellable reserves, in which his actuarial training was of especial value. He is now a member of the executive committee and has held other official positions in the conference. He is not related to James E. Powell, this year's president.

## Approval Given Board's Public Relations Program

(CONTINUED FROM PAGE 1)

That the conference serve as a center of influence, as well as distribution, bringing to the membership the ideas and practices of other companies. By using its weight and prestige, the committee feels the conference should have as its aim the elimination of practices which do not serve the public good.

## REPLACEMENT of income

lost to the breadwinner by reason of disability is the mission of accident and health insurance. The Washington National is one of the leaders in this great field.

Modern policies backed up by prompt claim service is this company's answer to the need which arises when personal earning power is stopped by accident or sickness. Washington National representatives have in their sales kits a contract to meet every situation; they serve the insuring public in forty-six states and the District of Columbia.

On December 31, 1939, the Washington National had life insurance in force totaling \$214,913,982.00 backed by assets of more than forty-four millions of dollars. On the same day excess security to policyholders amounted to \$3,263,832.60. More than one million persons own Washington National policies.

## Accident Life Health UNITED INSURANCE COMPANY

(Founded in 1919)

2721 South Michigan Avenue, Chicago

ISSUING

INDUSTRIAL ACCIDENT AND HEALTH INSURANCE  
INDUSTRIAL LIFE INSURANCE

MONTHLY PREMIUM ACCIDENT AND HEALTH  
INSURANCE

COMMERCIAL ACCIDENT AND HEALTH INSURANCE  
GROUP ACCIDENT AND HEALTH INSURANCE  
ORDINARY LIFE INSURANCE

Invites Correspondence Policies

## WASHINGTON NATIONAL INSURANCE CO. CHICAGO

EXECUTIVE OFFICES: EVANSTON, ILLINOIS

H. R. KENDALL  
Chairman

G. R. KENDALL  
President

J. F. RAMEY  
Executive Vice President  
and Secretary

## Better Training Is Key to Better Service

(CONTINUED FROM PAGE 4)

He said that in each case the answer is obvious. It costs much less to do business with men who have been thoroughly trained.

### Wouldn't Stop Recruiting

"I am not suggesting that the agency executives stop recruiting. I am simply suggesting that the more veteran successful men you have in your organization, doing a successful business, the better and more economically you will serve your policyholders. The carefully picked and successful agent reduces our unit cost automatically with every step of his development.

"Of course, we cannot pick correctly each and every time. I do believe that the agency man of tomorrow will have adequate records that will tell him at the end of three months, whether or not a salesman has reasonable chance of success. He will have at his fingers' tips the complete experience of that man up to the time he became associated with his organization. He will know all about his character, his education, his background, his incentives to work, and his family setup. He will know what kind of cooperation, quality of effort, and the kind of results that characterize this man.

"I wonder what would happen over the next ten years if every agency man in this room were to start this year with a small, carefully selected group of young salesmen who show promise. Suppose you were to give them constant and thorough training in the sales field, building them and inspiring them until their stake in your business was large enough to give them a living, better than they could get anywhere else.

"Suppose you were to repeat that performance each year for the next ten

years. What would that investment be worth to you in productivity? In quality business? In a better product? In better public relations?"

### Program Unified, Well Integrated, Holds Interest

(CONTINUED FROM PAGE 8)

the train on his way west, who characterized the life company with which he had taken a good-sized policy at a real sacrifice as a "cold blooded outfit" because of the character of the premium notice and receipt sent him.

### Grant Says Real Progress Made

In commenting on Mr. Merritt's talk, W. T. Grant, Business Men's Assurance, said the impression might be given that very little is being done toward solving the problems reviewed and declared that very great progress has been made, especially in recent years. He referred to the work that has been done in the life field and to show that much of it is applicable to accident and health as well he said that 85 percent of the accident and health premiums last year were produced by companies which also write life insurance.

He then took up the point brought out in Mr. Davis' report, that only 30 percent of those answering the questionnaire were full-time accident and health men. He said all of the addresses on the program were directed to this 30 percent and asked what is going to be done about the other 70 percent. He declared that it is not possible to change over all at once, but that it will be necessary to increase the 30 percent and cut down on the 70 percent. He listed three classifications of agents: (1) Those giving all their time to one company; (2) full-time insurance men writing more than one kind of insurance, which he

put second to the specializing agents, and (3) those giving most of their time to some other work, who he said know little or nothing about the business.

G. R. Kendall while not differing with Mr. Grant's ultimate objective, said he did not believe that 70 percent of the agents of conference companies are part-time men and said that if those who did not return the questionnaire had done so, the results would have been quite different.

Mr. Davis said he was quite certain that the great majority of those classed as part-timers are full-time insurance men and not those engaged in other lines of work.

### McNeill Now Portlander

Chester W. McNeill, vice-president Union Mutual Life, attended his first conference meeting as a representative of that company, which recently entered the accident and health field, taking over

the business of the Massachusetts Accident.

He is now domiciled at Portland, Me., after being a life-long resident of Boston, and already is becoming enthusiastic about the merits of his new home. The Union Mutual's commercial business is ahead of the record of the Massachusetts Accident for the same period last year.

Mr. McNeill is a former president of the conference and was chairman of the committee in charge of arrangements for its highly successful meeting in Boston last year.

A. D. Johnson, United, Chicago, chairman of the transportation committee, chaperoned a delegation of 72, which assembled in Chicago Sunday afternoon and made the trip to Minneapolis in three special cars. The members of the party regarded the trip as one of the most enjoyable features of the conference meeting.

## If he has ANY money...

A salesman of the Great Northern Life Insurance Company can do business with a prospect—if he has ANY money, and (of course) the willingness to sign an application.

The reason for this is that the Great Northern Life is a *multiple line company*, so far as personal protection is concerned. Life—Accident and Health—Complete Protection—Double Insurance to Age 60—Family Group Term—Automobile Personal Accident—Salary Continuance.

Premiums vary from considerable sums down to a dollar or two. So, Great Northern Life salesmen can do business—granting the prospect wishes to buy—if he has any money at all for a first premium.

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WISCONSIN CORPORATION

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Fair and general treatment of its policyholders together with the most advanced method of conducting its business, has placed the company in a pre-eminent position as respects financial strength and public confidence.

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PARTICIPATING LIFE INSURANCE FOR THE NEEDS YOU CAN FORESEE!

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MINNEAPOLIS, MINNESOTA

Phone: GE 5577

**MONARCH LIFE INSURANCE COMPANY**

Life, Accident and Sickness Insurance  
Springfield, Mass.



## Agents' Opinions of Home Offices

(CONTINUED FROM PAGE 3)

cent cooperation and but 4 percent expressed the opinion that the companies give less than 60 percent cooperation. Many, however, stated that they receive no cooperation whatsoever, for which they gave various and sundry reasons.

### Some Critical Comments

Among the critical comments were: "Too much friendship and politics in the home offices at the expense of the companies; average agency man needs to study the salesman's side; accident and health companies should follow the lead of life companies and become more agency-minded; most companies forget the moderate producer; companies should have an official survey of agencies at least once a year; agency contract not an equitable instrument of agreement between company and agent; new agents should be paid small salaries against commissions during the training period and the contract should provide a means of compensating an agent for his production effort; all companies should have their agent in a certain town spend one day with their agent in a nearby town at least once a month."

### Home Office Agency Letters

Home office agency letters in general are liked by 86 percent, while 14 percent express complete dissatisfaction. Of those expressing dislike for home office agency letters, 87 percent feel they are more or less form letters; 79 percent feel that they are too general in character; 31 percent feel that they are too critical and 30 percent considered they are too technical; but 49 percent feel that agency letters are too "windy," and 44 percent that they are insincere.

Only 58 percent of those answering this question would like to receive more personal agency letters, while 36 per-

cent are satisfied with the number received now, and 6 percent would like to receive fewer of such letters.

The average agent receives 47 personal agency letters in a year, an average of almost four a month, but they feel that only 76 percent of these letters are constructively helpful. In other words, one out of each four of the letters to agents is regarded as not in the least constructive or helpful.

One agent, on the question as to how many agency letters are helpful, said: "Just as many as are necessary to keep the agent thinking that the boss is still for him and has his interest at heart, same as his own." Another says: "Too many agency letters say do it, and not how to do it." Many express themselves as believing that there is "too much criticism for lack of production, without constructive suggestions or material aid."

### Agents Contest-Minded

The agents generally are contest-minded, with 81 percent favoring them and believing that four per year are not too many. Generally, prizes of merchandise or merit certificates for the purchase of merchandise are preferred. However, one general agent who collects \$120,000 a year says he has an aversion to pledges and contests and hot-air pep and enthusiasm campaigns. He advises that agents need practical help and education on how to sell, how to approach, how to present, and how to keep business on the books. This general agent holds practically no general meetings, but finds individuals' weaknesses, teaching them how to overcome them and, above all, how to get the money with the application.

One agent says "contests are undignified and encourage poor underwriting. They put the business of selling accident

and health insurance in the dollar day class of merchandise." There were dozens who commented that contests should be on a basis whereby the average man, and not just the big producer, has a chance to be among the winners.

### Supervisors and Bulletins

Field supervisors are of material assistance to 56 percent of the total, while 44 percent complain that they get no benefit from them, many stating that supervisors will not get out in the field and work, but prefer merely to visit. One agent says a supervisor or field man should be a man with at least a year's experience with the company he represents before he should have the responsibility of training others.

Agency bulletins are found helpful by 90 percent of the agents, but personal letters on the same general subjects covered in the bulletins are preferred by only 53 percent. Of the almost 500 agents involved in this survey, 345 pre-

fer general sales information as bulletin material; 307 expressed preference for bulletins designed to create additional interest and effort, 270 for material to increase enthusiasm and pep; 243 prefer experience stories of and about other agents; 240 like methods of answering objections, 238 general information, 228 comparative agents standings; 218 prefer information on methods of approach, 208 on closing, and 189 on presentation.

### Underwriting and Issue Division

Contrary to the often expressed individual opinions of the agents which tend to make the home offices believe that the underwriting and issue division does not have a friend in the field, 77 percent of the agents indicated that they get 100 percent genuine, whole-hearted personal cooperation from this division. Only 14 percent believe this cooperation is limited to 80 percent; 7 percent to 60 percent cooperation and

## BUSINESS IS GOOD

Federal's Accident and Health business has shown remarkable increases every month during 1940. Its Life business, too, is showing vast improvement over 1939—the increase during the first 4 months of 1940 averaging more than 30% over the same period of last year.

Federal's Streamliner—a combined Health-Accident-Hospital-Life contract, is one factor contributing to improvement in both departments.

Federal's joint contracts enable agents to earn larger commissions by serving ALL their client's personal and family protection needs. And Federal's modern contracts are easier to sell.

If interested in the Federal Plan write for details.

### FEDERAL LIFE INSURANCE COMPANY

ISAAC MILLER HAMILTON  
Chairman

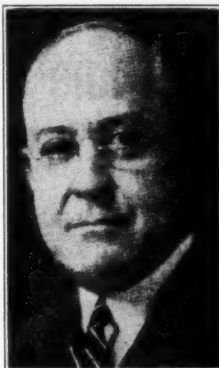
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## EMPIRE LIFE AND ACCIDENT INSURANCE COMPANY

An Old Line Legal Reserve Capital  
Stock Company.

Home Office: Empire Life Building  
Indianapolis, Indiana.



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This Company is in its 33rd year and is now serving more than 100,000 satisfied policyholders.

Our Representatives are TRAINED representatives, and are required during their first 6 months with the Company to complete a 3 Volume "Training Course."

This Company issues an unusual, and complete line of

Ordinary Life

Industrial Life

Standard Commercial, and

Weekly Health & Accident policies.

## PROGRESSIVE MUTUAL ASSURANCE COMPANY

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## ACCIDENT and HEALTH INSURANCE

C. F. E. PETERSON, President

H. W. MAGINNIS, Vice-President

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only 2 percent of the whole are of the opinion that they receive less than 60 percent cooperation from this important division. The underwriting and issue division is believed to be sales-minded by 81 percent and only 21 percent believe the underwriting to be too strict. The issue of policies was indicated as being too slow by only 18 percent.

As to whether the agents are "let down" or "picked up" by letters from the underwriting and issue division, it is evident that both effects are experienced by the same agent, since 83 percent indicated that this division does write letters that "pick them up," and 45 percent indicated that they also receive letters that "let them down."

There were many serious objections made to improper original underwriting, leading to cancellation or non-renewal after the policy is issued, and more than a little complaint regarding the delays in the issuing of policies incident to the use of inspections.

#### Claims Division Most Popular

The claims division is by far the most popular division with agents, since 83 percent of them indicate that they receive 100 percent genuine and whole-hearted personal cooperation from the claims division. Only 10 percent feel that they receive but 80 percent cooperation; only 5 percent, 60 percent cooperation and only one agent out of the total complained of receiving less than 60 percent cooperation. Again the question was asked as to whether or not letters from this division "picked up" the agents or "let them down"; 87 percent indicated that this division writes letters that "pick them up" and 42 percent indicated that they also receive letters that "let them down."

About 85 percent of the agents believe claim letters from the company to policyholders are helpful in promoting satisfaction and new business, but, being salesmen, 67 percent of the agents are of the opinion that all claim letters could be improved by being more sales-conscious.

One of the most important and numerous complaints received was that some companies do not advise their agents, either in advance or otherwise, of cancellation or non-renewal of policyholders and all such complainants suggested that agents invariably be advised of such action.

Many complained that they do not get copies of letters in connection with claim payments and others who do get copies commented on the fact that some claims divisions who do notify agents of claim payments fail to advise how they arrived at the amount of the payment. The agents point out that this is essential to them if they are to serve the policyholder and the company properly and promote new business as a result of the settlement.

It was suggested by many of the agents that claim letters are mainly stilted form letters, and that use of the expression "claim adjusting" and the title "claim adjuster" should be entirely dispensed with.

Agency contracts and commission arrangements were seldom commented upon. Practically the only suggestion for changes in agency contracts had to do with the finding of new men coming into the business and with giving agents vested renewals less a collection fee, this latter to maintain loyalty, stability, and to eliminate agency turnover.

L. D. Cavanaugh, Federal Life, was chairman of the nominating committee, the other members being Chester W. McNeill, Union Mutual Life; J. W. Scherr, Inter-Ocean Casualty; S. C. Carroll, Mutual Benefit Health & Accident, and C. W. Young, Monarch Life.

Paul Clement, Minnesota Commercial Men's, president, and J. W. Whittemore, Eastern Commercial Travelers, secretary, of the Federation of Commercial Travelers Insurance Organization, were introduced as its official representatives.

## Menace to Security Capitalism Told by A. J. McAndless

The dangers confronting what he referred to as "security capitalism," by reason of the world situation today, were reviewed by A. J. McAndless, president Lincoln National Life.

"One of the major influences binding together today our free democratic capitalistic system is the business of privately administered insurance," he said. "This business, in which we are engaged, is part and parcel of that system. As an incident to our business, we bring together vast funds of capital and then by spreading risks provide a mechanism for protecting the values given by life and property in a capitalistic system."

## More Color Needed in Sales Material

(CONTINUED FROM PAGE 3)

and punchful copy should be observed."

Another phase of home office productions which he said affects the agency force for weal or woe, stimulatingly or depressingly, is the so-called house organ.

Turning from the agency man's view, he offered these ideas given him by a successful house organ editor as to what should be the nature of a really good publication:

1. It should be principally an agent's journal, created for, of and by the agency force, as much as possible.
2. It should be interesting, readable and valuable to the field force.
3. The natural tendency to puff up home office people should be avoided.
4. It should not become an organ which too obviously, or too consciously smears the field force with home office propaganda. There is a legitimate way to convey home office aims and viewpoints to the field.
5. Whether certain material is justifiable copy may be determined by applying this test: "Is it of interest and value to the field force?"

#### Build Morale of Agents

6. It should serve as a means of building the morale of the agents by giving recognition to their sales achievements; news regarding success or prominence of an agent in his home town, and about the marriages, births and deaths among the agents and their families. Agents, even more so than the average person, yearn for appreciation, approval and recognition. Most of them are lost in the shuffle of large communities and do not have the opportunity for self-expression and individualism. They covet publicity in the company's publication for the sense of leadership it gives them.

7. A major portion of the magazine should be devoted to articles by outstanding agents, who have field tested their ideas and secured unusual results. Such articles are valued largely in proportion to the recognized ability of the author.

8. Special provision should be made for proper home office announcements and instructions for guidance of agents—something in the nature of a bulletin board.

9. Use effectively pictures of agents and their families. Life stories about them and their careers or accomplishments have a personal appeal to the subject, and a favorable reaction on others who may be inspired to merit such recognition.

In considering how the companies may improve their efforts to cultivate better public relations, he referred to the criticisms of life companies for the character of their premium notices, and

**The ANSWER**  
to the problem of an  
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**MONARCH**  
Noncancellable Accident, Sickness  
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Life, Accident and Sickness Insurance  
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Specializing in

**Accident, Health and Hospitalization Insurance**  
Exclusively for Thirty Years

Our representatives use our policies and supplements to TAILOR MAKE the accident, sickness, hospital, and surgical protection NEEDED by their prospects. This opportunity is important in building an agency through extended SERVICE. We can help you build your Accident and Health business. . . . Come along and grow with us.

TERRITORY: Minnesota, Wisconsin, Indiana,  
Illinois, Michigan, Missouri.

E. A. McCORD  
President

C. C. INMAN  
Vice-Pres. & Agency Dir.



the needlessly brusque communications with policyholders.

"This criticism could be applied to accident and health companies to an even greater extent," he said, "because in many ways accident and health insurance is actually more of a personal type of insurance than life or any other form. Accident and health insurance pays for damage to the human physique, for its injuries and ills; also its claim service directly affects a man's most sensitive spots, (1) his pocketbook, and (2) his psychological reaction to our attempt to appraise the money value of his personal damages. Hence, there is a greater need for diplomacy and for the cultivation of mutual understanding and goodwill."

#### "Bill-itis" and Bills for Premiums

He referred with approval to the use in the Survey Edition of the Accident & Health Review of the term "bill-itis" as describing the upset condition of the head of the average family when that budget-unbalancing tide of bills floods over him on the first of the month.

"And if to that flood of bills your bill adds its aggravation, and its attack upon his bank account, your renewal is threatened," he said. "But why do we make it look like a public utility or any one of a hundred other bills. Why not do a resale job on the public, showing the advantages and/or increased values of the policy and—just incidentally—mention that in order to maintain these valuable advantages, a certain premium deposit is necessary. Magnify the profit angle and minimize the penalty."

"People don't mind paying out good money for some useful and necessary commodity but everyone rebels against constantly putting out good money for a vague something or other, the value, or advantage of which has been forgotten after the favorable impression has worn off. Finance companies report that people pay readily for an automobile when it is new, but after the newness is worn off, the payments begin to lag more and more."

He suggested as the characteristics which should be present in an effective premium notice:

"1. To be attractive, it must be colorful. Scientists state that certain colors (notably red, orange and yellow) are stimulating and are more likely to motivate us into favorable action. Certain other colors are negative in effect, or lacking in any effect.

"2. Also, to be attractive, the subject matter must be tactful, diplomatic, easily understood and quickly read.

"3. It should be informative as to any increased policy values or advantages gained or maintained by renewal of the policy.

"4. A good premium notice should attempt to resell the need for the policy, by reminding the insured of the hazards of modern life and the necessity of continuing his protection.

#### Shouldn't Be Demand for Money

"5. It should not be in the form or appearance of a bill—a demand for money. Bills are irritating. Why not reverse the time-honored custom of sending out 'billings' as though the world owed us a living. If we expect policyholders to renew, we must make them want to renew. People want to be wanted! They like to be asked to buy, asked to renew, asked to offer suggestions for improvements in service. They like to come into personal relationship with their company.

"6. It is salesmanship which induces a man to buy a policy—why not use salesmanship in inducing him to renew?

"The first purpose of a renewal receipt should be to utilize what is almost our only routine occasion for contacting our policyholders, as a means of reestablishing diplomatic relations after a year or so of silence or tacit acceptance.

"At long last, the insured hears from the company. How? With a demand for more money, a cold, formal repulsive bill! Or, should it be a tactful reminder of the pleasure which is ours in having been placed in a position of potential helpfulness to him? Why not mention that if, it so happened in God's providence, he did not have occasion to call on us for a claim, plenty of others did—to their relief and profit. And we might mention that his day of misfortune may come soon, in which event we shall be pleased to ease him through his misfortune.

#### Partnership for Assistance

"We should develop in the insured's mind the thought that the institution of insurance is a great partnership for mutual assistance. What a difference there is between asking a man to join others in self-insurance, or being dunned by what appears to him to be just a cold, rich, corporation—always demanding his money and giving nothing.

"It looks like a big job to get so much into a little renewal notice, but it isn't

necessary to put it all in the one form. Some of the resale ideas can be enclosed with the notice in the form of a personal letter from the president, or by use of clever circulars containing human interest stories. Who could possibly have more genuine human interest stories, packed with emotional appeal, than an accident and health company? Our files are full of them.

"And then, after the policyholder has responded to our encouragement to renew his policy, and has favored us with a hard-wrung remittance, let's have available the most attractive 'Thank You' receipt possible, thanking him in the best and happiest language we possess, and assuring him that we stand ready to back up our policy with real service. A mere money receipt is small compensation for his sacrifice of other things, by which he was able to renew. Let's add the same touches of color and art work to that, too. Let's make the old formal receipt a warm impulsive personality, expressing our thanks and appreciation of his continued patronage and good will.

"Our agents 'invite' the business graciously enough by their persuasion, diplomacy and persistency, but how graciously do we extend our hospitality to our customers? Are we formal, legal, coolly business-like in all our contacts, or do we inject some red-blooded human kindness and warmth into our messages to our policyholders?

"Isn't an insurance company a gathering-together of thousands of human beings for mutual self-protection? And isn't it the policyholder's money which pays policyholder claims? Don't you suppose that the insured has some interest in the fact that his money helped to pay valuable benefits to some fellow-policyholders? That's human interest—it is news—it encourages renewals.

"Let's remember that, aside from the corporate assets and official family, the policyholders and the agents are the

## Extends Welcome



FRANK YETKA  
Minnesota Commissioner

company, and are vital to our continued success. We should warm up to them more than we do. Let's make them feel so well treated that they want to stay in our great warm-hearted organization to enjoy the security of mutual protection against the ills and misfortunes of life!"

Telegrams of greeting and regrets at being unable to attend were received from H. T. Dobbs, Atlanta, president Industrial Insurers Conference; W. B. Cornett, Loyal Protective Life, Columbus, O., retiring president National Accident & Health Association, and Harry Prevost, United States Fidelity & Guaranty.

SERVICE SINCE 1886

## The North American Accident Insurance Co.

209 So. LaSalle St., Chicago, Illinois

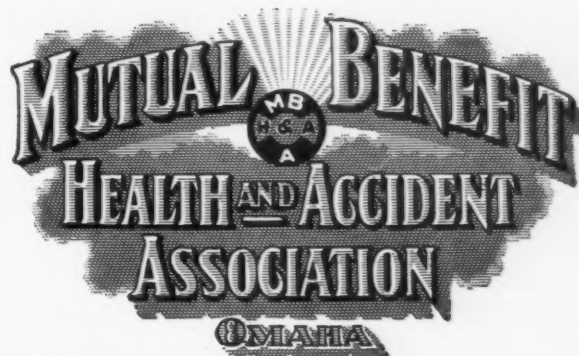
Oldest and Largest Company in America Writing Accident and Health Insurance Exclusively

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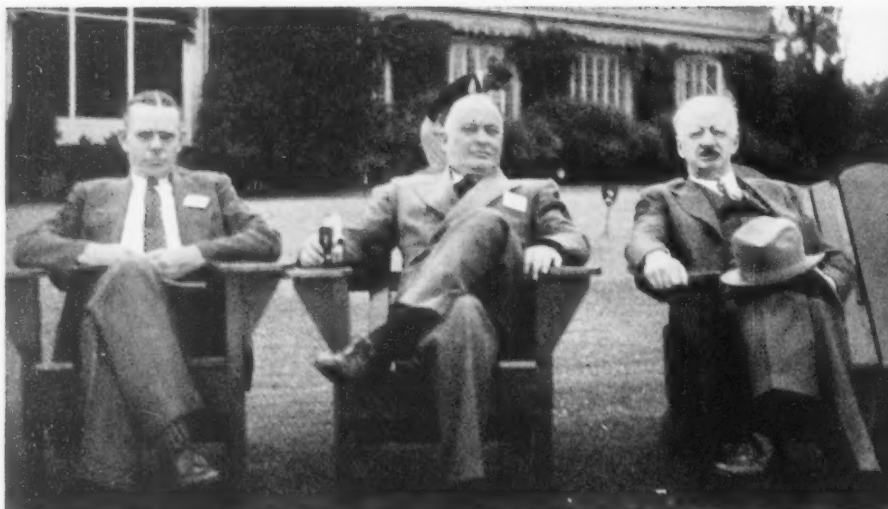
Geo. F. Manzelmann, Vice President

A GOOD YEAR TO CONNECT  
WITH A GOOD COMPANY



Our Desire Is: To serve with justice and integrity those whose protection is entrusted to our care; to support right principles and oppose bad practices in insurance; to develop character, ability and knowledge; to value honor above profit; thus to be faithful to ourselves and to those we serve.

1939 Premium Income, \$13,883,046



Left to right—E. L. Morris, Minnesota Commercial Men's; Chester W. McNeill, Union Mutual Life; Col. J. W. Blunt, Monarch Life; H. G. Rockwood, United, Chicago:

and John F. Lydon, Ocean Accident, taking it easy at the golf club on the first day of the Health & Accident Underwriters Conference's gathering.



Miss Rose Cisson, North American Life & Casualty; Mrs. June Clement Smalley, Minnesota Commercial Men's.



C. A. Sholl, Globe Casualty; J. J. Helby, Federal Casualty, Milwaukee; A. D. Johnson, United, Chicago; E. B. Fuller, Loyal Protective Life.



Paul Clement, Minnesota Commercial Men's, new Conference president.



Walter C. Green, Chicago, consulting actuary and president Chicago Actuarial Club; Rex A. Edmunds, Fidelity Health & Accident; R. J. Wetterlund and L. D. Cavanaugh, Federal Life; M. W. Hobart, Ministers Life & Casualty Union; Ivar

Sivertson, publicity, Minneapolis; Harold R. Gordon, conference executive secretary and Dr. N. L. Criss, Mutual Benefit Health & Accident, show their prowess on the course on the first day of the Minneapolis parley.